



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



JENNIFER M. GRANHOLM
GOVERNOR

THOMAS D. WATKINS, JR.
SUPERINTENDENT OF
PUBLIC INSTRUCTION

February 23, 2005

MEMORANDUM

TO: State Board of Education

FROM: Jeremy M. Hughes, Ph.D., Acting Superintendent *JMH*

SUBJECT: Report on Approval of Biennial Report of the Michigan School Readiness Program Legislative Review Committee

Section 40 of the State School Aid Act requires the following:

The department biennially shall review alternative methods to determine the number of children construed to be in need of special readiness assistance and shall report no later than November 15 of each even-numbered year its findings and recommendations to the senate and house appropriations subcommittees responsible for district funding and the senate and house committees responsible for education legislation and the state budget director.

To meet this legislative mandate, a committee of practitioners met on October 19, 2004 to discuss the method by which Michigan School Readiness Program funds are distributed to school districts and public school academies. A number of concerns and suggested solutions were discussed. Minutes of the meeting (Attachment A), a roster of committee members and invited guests (Attachment B), and the text of the report to the legislature (Attachment C) are attached.

The committee generated two concrete recommendations that directly relate to the School Aid Act. The first requires an addition to legislative language to facilitate earlier notification of allocation awards. Realizing that the Michigan Department of Education (MDE) must wait until the School Aid Act is passed each year before final allocation award notification, the committee recommended that an addition be made to boilerplate language designating that by July 15th, the MDE shall issue tentative allocations based on each grantee's previous year's allocation. The committee also recommended that legislative language be altered in Section 37 (3)(g), modifying the clause requiring that more than 50 percent of the children participating in the program meet the income-eligibility criteria to language stating that families would be income-eligible at 250 percent of existing poverty levels.

Attachments

STATE BOARD OF EDUCATION

KATHLEEN N. STRAUS – PRESIDENT • JOHN C. AUSTIN – VICE PRESIDENT
CAROLYN L. CURTIN – SECRETARY • MARIANNE YARED MCGUIRE – TREASURER
NANCY DANHOF – NASBE DELEGATE • ELIZABETH W. BAUER
REGINALD M. TURNER • EILEEN LAPPIN WEISER

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • (517) 373-3324

**MICHIGAN SCHOOL READINESS PROGRAM
BIENNIAL LEGISLATIVE REVIEW COMMITTEE**

MICHIGAN DEPARTMENT OF EDUCATION STATE BOARD ROOM

OCTOBER 19, 2004

MEMBERS PRESENT: Brian Barber, Paul Bielawski, Jan Fowler, Sandy Hilton,
Anna Miller, Judith Snider and Carolyn Rutledge

STAFF PRESENT: Dr. Lindy Buch, Blanche Deren, Cheryl Hall,
Reneé De Mars-Johnson, Judy Levine,
Beth Marshall (alternate for Dr. Larry Schweinhart),
Mischele McManus, Connie Robinson, and Wendy Walser

OTHERS PRESENT: Curt Babcock, Ron Barratt, Linda George, Richard Lower,
Beth Merkle, and Kathryn Summers-Coty

Paul Bielawski called the meeting to order at 1:10 pm. Introductions were made noting that there were a number of individuals who were not in attendance.

Dr. Lindy Buch described the task-at-hand, which included review of our current procedures. Connie Robinson shared the information about the clarification of the risks and documentation needed, as provided in the MSRP Implementation Manual. She stated that Item #25 (Other) was implemented as a result of the 2002 Biennial Committee Meeting's recommendation for change. Jan Fowler asked if MDE had any type of documentation on whether the implementation of #25 had made any difference since 2002. Connie indicated that there had been conversation only in regards to this and that MDE does not have actual data. Individual risk factors are verified by on-site monitoring. On-site monitoring has been severely curtailed due to budget restraints.

A question/clarification was raised by Carolyn Rutledge regarding #6 (Diagnosed handicapping condition). This question was referred to Mischele McManus. Each risk factor may only be counted once, even if it appears to fall into two categories. Dr. Buch referred to Risk Factor Trends, 1996-2002, prepared by High/Scope Educational Research Foundation that looks at risk factors over a period of six years. The document reveals that the percentage of children with low income has gone down but the percentage of children with a larger number of risk factors has increased. This is something we will want to address.

Risk factors adopted in 1988 have essentially remained constant over time. It was noted that the Office of the Auditor General completed a performance audit during the summer of 2004, and found about one-third of the files did not have adequate documentation of the risk factors. There are certain factors that shouldn't be counted separately, unless

there is also a third factor (e.g., #12, Family history of low educational attainment and #15, Low parent/sibling educational attainment or illiteracy).

With regard to low income (risk factor #18), Richard Lower discussed another audit disclosure, that of the high number of Head Start income eligible children being served in MSRP classrooms without a waiver from the Head Start agency who could serve the child. A HS/MSRP collaboration group has been working on this, with a focus on the referral process. Jan Fowler expressed her surprise that this was still an issue. Jan feels that it boils down to collaboration between the MSRP and Head Start. She suggested that districts be required to collaborate with others to do the Community Needs and Resources Assessment (CNRA). MDE should require participation in the CNRA beyond just data entry to an expectation of a collaborative meeting to ensure that all children will be served. Internal and external policies should be annually reviewed to ensure a collaborative relationship exists. The committee suggested a change in legislation from “assuring” at least 50 percent are low income, to a recommendation of “priority to those who have low income.”

Jan feels that we really should look at the CNRA as being the responsibility of the community through the community collaboratives (formerly multipurpose collaborative bodies); shared ownership for the documentation of children needing services and service that is provided. She also wondered if the place to get folks talking together is around the CNRA or through more explicit guidance from the advisory committee.

The issue is that the CNRA has been the responsibility of the school district rather than shared ownership. In addition, line staff don’t always get a clear message of the expectations for collaboration and assuring the full enrollment of all eligible children.

Dr. Lindy Buch posed the idea of changing some risk factor language to merge adequate yearly progress (AYP) and MSRP. Paul Bielawski discussed specifics of AYP, and brought attention to possible difficulty with identifying a school as low achieving, when with restructuring, it may move quickly out of that label. Jan Fowler raised the concern that we’ve always dealt with families versus groups such as AYP represents. Carolyn Rutledge spoke about the interplay of factors with children’s success; she also raised the issue of integrity of documenting risk factors.

Discussion continued around the possible inclusion of AYP as a definition under Risk Factor #24 (Housing in a rural or segregated area). Concerns are as follows:

- A perception that *all* children living in the catchment area of a low-performing school are at risk, when the school may actually only have a *subgroup* of the school that is low performing, or it is a middle school (versus an elementary) that is low performing.
- As more schools fall into the AYP category, there could be significant impacts regarding the number of eligible children identified on the CNRA.

Programs are required to follow children's progress. Indicators that we have a mature program are our thoroughness of assessments and follow-up and evaluation requirements. We are also participating in a multi-state, random-site assignment study to evaluate effects on literacy, mathematics, and social skills development as children enter kindergarten. Our MSRP program provides a larger sample than some of the other targeted preK programs across the country. The MSRP performance audit report will include follow-up of the longitudinal data. The auditors performed an analysis of children's MEAP scores, attendance, and retention for 25 grantee programs. Overall, the percentage of MSRP children that met the Michigan MEAP standard was higher than the percentage of at-risk children that met the Michigan MEAP standard in FY 00-01 through 03-04. However, some individual programs are not doing well. The deciding factor is the quality of the program. The level of per child funding for the last five years makes it difficult to keep the quality high. The funding history was shared.

Head Start representatives indicated that the per child allotment is a problem; Head Start is approximately \$6,800 per child, while MSRP is maintained at \$3,300. The Middle Cities Early Childhood Task Force promotes more funding per child. Questions were posed regarding districts being willing to serve fewer children in order to offer more funding per child, and whether legislators would be willing to drop districts from the bottom of the list of districts being served.

The committee has a grave concern regarding the per child allocation and the ability to provide the high quality programming that is necessary to make an impact on children. There was discussion that perhaps not requiring a ZA endorsed teacher for the classroom would allow for lower salaries, thus making the \$3,300 enough to fund MSRP classrooms.

A clarification was sought by Ron Barratt regarding the free lunch counts. Dr. Buch said school districts provide the free lunch data. Dr. Buch spoke about the Demographics/Projections of Numbers of Eligible Children in Michigan. Twenty-five percent of three year olds and 75 percent of four year olds who are considered at risk are being served in federal and state funded programs in Michigan.

About 70,000 Michigan four-year-old children are at risk according to the risk factors. There is a demographic change in who is poor. Forty percent of Michigan children are eligible for Medicaid. Fifty percent of Michigan children are on Women, Infants, and Children (WIC). We now believe about 55 percent of children in an age cohort are eligible. We subtract the number of children served by Head Start along with early childhood special education (although it is difficult to obtain accurate numbers of children being served with Title I funds). Considering all of the above, about 75 percent of at-risk four year olds and about 25 percent of at-risk three year olds are served with state and federal funds in high-quality preschool programs. Questions and concerns among the group were raised and discussed regarding does this formula serve the four year olds who need high-quality preschool programming? Does the formula distribute the funding so that it fairly identifies at-risk four year olds statewide? Does an at-risk four-year old child have a fair opportunity to receive a program? In addition, over the

past three years, there were approximately 2,000 (600-700 per year) children who were not identified and served even though funding was available to serve them. Could we do a “count day” for the purpose of returning and redistributing slots to districts?

The Governor has opened the discussion on universal services. The Early Childhood Systems group is talking about children across various types of programming, such as parenting, family support, early education and care, etc.

Carolyn Rutledge expressed concern that some of the best preschool teachers are lost to higher grades due to pay scale differences. Holding school districts harmless with a “hold harmless” clause was mentioned. Kathryn Summers-Coty spoke about the importance of informing grantees at an early date, of the level of allocation and numbers of children to be served, and that it would be beneficial if legislation allowed districts to get an early guarantee of funding. Instability from one year to the next exists because the state aid bill needs to be signed prior to MDE distribution of the funds. Connie discussed the state aid procedure for distributing funds, referring to the FY2004-2005 funding procedure. Discussion continued regarding the possibility of ensuring stabilized funding through legislation. There would have to be forward funding designated at least one year for this to work. Participants agreed that this year’s procedure was well received including the MDE request of districts to adjust CNRAs for accuracy, and posting timely, tentative allocations. This allowed 68 districts to receive additional funding for 1,222 slots.

A participant indicated a preference for fewer child slots two years in a row, rather than waiting until October to find out what the allocation is. Dr. Lindy Buch explained that the ECE office has been ready to offer allocations, but legislative delay impacts MDE’s ability to post tentative allocations.

Linda George noted that *Early On*® continues to be concerned about programming for three-year-old children who meet Individualized Family Service Plan (IFSP) goals and who then transition out of *Early On* programming. There is a need for preschool for these children. Others in the room supported public funding for both three- and four-year-old children. Wayne State has experienced that parents choose not to enroll their four year old because they couldn’t afford the three year old enrolling in their tuition-based program or had difficulty dealing with two separate preschool programs. Carman-Ainsworth Community Schools discussed data which demonstrates that two years of high quality preschool results in better outcomes for children. There was no committee consensus on serving three year olds in MSRP. Discussion continued regarding:

- Assisting those three year olds most at risk.
- Importance of flexible programming.
- Including language in boilerplate for a pilot program.
- Preference to siblings, children exiting *Early On*, multiple risk factors.
- Three year olds are developmentally different than four year olds; guidance is important.
- Qualified quality staff is essential.

- Difficulties may be compounded regarding identifying and serving all eligible four year olds.

The following recommendations were made by the Committee:

- Add to boilerplate language a designation that by July 15 MDE shall issue a tentative allocation based on the previous year's allocation.
- March 15 is the preferred notification date for MDE to post tentative MSRP allocation awards.
- Grantees would like to pursue discussion regarding enrollment of three year olds.
Center for Educational Performance and Information (CEPI) include information about all young children of Michigan in its data services network.
- Continue to emphasize the importance of collaboration between the MSRP and Head Start.
- Promote active, collaborative effort to complete the CNRA.
- Single Record Student Database (SRSD) should collect comprehensive data on MSRP enrolled children.
- Alter legislative language, Section 37(3)(g), modifying the clause requiring that more than 50 percent of the children participating in the program meets the income-eligibility criteria to language stating that families would be income-eligible at 250 percent or 300 percent of existing poverty levels.

Minutes will be circulated electronically to all committee members. Mr. Paul Bielawski and Dr. Lindy Buch welcome comments/suggestions regarding recommendations.

Meeting adjourned 4:10 p.m.

**MICHIGAN SCHOOL READINESS PROGRAM
BIENNIAL LEGISLATIVE REVIEW COMMITTEE
LIST OF INVITED PARTICIPANTS**

Committee Members

Chair

Michigan Department of Education

Mr. Paul Bielawski

Michigan School Readiness ProgramSchool District Representatives

Region 1 Charlevoix-Emmet ISD

Region 2 Whitehall

Region 3 Detroit Public Schools

Region 4 Carman Ainsworth Community Schools

Region 5 Niles Community School District

Ms. Jan Fowler

Mr. Brian Barber

Ms. Deborah Bodrick

Ms. Carolyn Rutledge

Ms. Cindy Wickham

Michigan School Readiness ProgramCompetitive Grant Representatives

Region 1 Alger Marquette CAB

(Head Start)

Region 2 Grand Rapids Community College

Region 3 Wayne State University

Region 4 Genesee County Community Action Agency

(Head Start)

Region 5 Perry Nursery School

Mr. Richard Kochis

Ms. Jane Ann Benson

Ms. Anna Miller

Ms. Judith Snider

Ms. Sandy Hilton

Guests

Organizations

Michigan 4C Association

Michigan Head Start Association

State Interagency Coordinating Council

Middle Cities Early Childhood Task Force

Michigan Association for the Education of Young Children

Mr. Mark Sullivan

Mr. Richard Lower

Ms. Linda George

Mr. Ron Barratt

Mr. Steve Manchester

State of Michigan Departments

Management and Budget

Family Independence Agency-Child Care

House Fiscal Agency

Senate Fiscal Agency

Ms. Robbie Jameson

Ms. Melody Sievert

Ms. Mary Ann Cleary

Ms. Kathryn Summers-Coty

Mr. Joe Carrasco

Staff

Office of Early Childhood Education & Family Services Supervisor

Office of Early Childhood Education & Family Services Coordinator

Office of Early Childhood Education & Family Services Consultants

Office of Early Childhood Education & Family Services Departmental Technician

Office of Early Childhood Education & Family Services MSRP State Aid Secretary

MSRP Evaluation Project (High/Scope Educational Research Foundation)

Michigan *Early On* Coordinator

Dr. Lindy Buch

Ms. Renée De Mars-Johnson

Ms. Connie Robinson

Ms. Blanche Deren

Ms. Sharon Singer

Ms. Wendy Walser

Dr. Larry Schweinhart

Ms. Vanessa Winborne

**Biennial Report of the
Michigan School Readiness Program Legislative Review Committee**

Section 40 of the State School Aid Act requires the following:

The department biennially shall review alternative methods to determine the number of children construed to be in need of special readiness assistance and shall report no later than November 15 of each even-numbered year its findings and recommendations to the senate and house appropriations subcommittees responsible for district funding and the senate and house committees responsible for education legislation and the state budget director.

To meet this legislative mandate, a committee of practitioners met on October 19, 2004 to discuss the method by which Michigan School Readiness Program funds are distributed to school districts and public school academies. A number of concerns and suggested solutions were discussed. Minutes of the meeting and a roster of committee members and invited guests are attached.

A number of specific areas of concern were addressed by the committee:

- late notification of allocations when annual state school aid legislation has not been finalized delays district implementation of the program;
- in order to meet the requirement that at least 50 percent of the children enrolled be income-eligible (per section 37 (3) (g)), Michigan School Readiness Programs are enrolling Head Start income-eligible four-year-old children without seeking waivers;
- the Comprehensive Community Needs and Resources Assessment (CNRA), as required in section 37 (2) is not being collaboratively prepared, allowing for the possibility that the capacity section may be in error;
- follow-up data on children is haphazard, with no unified data collection across the state of the child development and academic outcomes of those who had been enrolled; and
- funding is grossly inadequate in order to meet the requirements for quality that are necessary for serving the targeted population; the per child amount has not changed for five years, although costs continue to increase.

The committee generated two concrete recommendations. **The first recommendation relates to the concern regarding delayed notification of allocations.** Realizing that the Michigan Department of Education must wait until the State School Aid Act is passed each year before final allocation award notification, the committee recommended that an addition be made to boilerplate language. The formal change would be to section 39 (1) of the State School Aid Act:

The tentative allocation for each fiscal year to each eligible district under section 32d shall be determined by multiplying the number of children determined in section 38 or the number of children the district indicates it will be able to serve under section 37(2)c, whichever is less, by \$3,300 and shall be distributed among districts in decreasing order of concentration of eligible children as determined by section 38 until the money allocated in section 32d is distributed. **NON-BINDING ALLOCATIONS PRIMARILY BASED ON THE PREVIOUS YEAR'S ALLOCATION SHALL BE FORWARDED TO DISTRICTS BY JULY 15 IN THE PRECEDING FISCAL YEAR PENDING PASSAGE OF THE STATE SCHOOL AID ACT.**

The committee also **recommended that legislative language be altered to address concerns regarding enrollment of income-eligible children.** The change is recommended for section 37 (3) (g) of the State School Aid Act:

~~More than 50% of the children participating in the program meet the income eligibility criteria for free or reduced price lunch, as determined under the Richard B. Russell national school lunch act, 42 UAC 1751 to 1769h, or meet the income and all other eligibility criteria for the family independence agency unified child day care program-LIVE IN FAMILIES WHOSE INCOME IS EQUAL TO OR LESS THAN 250% OF THE FEDERAL POVERTY LEVEL.~~

The committee also urged the Department to work closely with the Center for Educational Performance and Information (CEPI) to assure that all children involved be entered into its Single Record Student Database (SRSD). Once entered, it is more likely that longitudinal data will be more readily available to illustrate the success of the MSRP in assisting in the success of children in Michigan's public schools.

The Michigan Department of Education and State Board of Education are pleased to continue to develop methods to help successful programs be administered more smoothly to serve young children and their families in Michigan. For further information about the committee's discussion, please contact Dr. Lindy Buch, Director, Office of Early Childhood Education and Family Services, (517) 373-9962.